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initiates engagement of the front drive axle 12. Thus, the second output shaft is only coupled to the power source, e.g., there is only engagement of the front drive axle if there is wheel slippage. Thus, applicant asserts that claims 34 and 35 are fully supported by the specification.

Claims 15-23 and 25-35 stand rejected under 35 U.S.C. 102(e) as being anticipated by Yasuda (US 6115663). Claim 15 requires that the clutch mechanism couple the first and second axle output shafts together during a wheel slippage condition when rotational speeds of the first and second axle output shafts are within a common rotational speed range. The examiner argues that Yasuda inherently discloses this. Applicant respectfully disagrees.

There is absolutely no teaching in Yasuda of a controller for controlling activation of the clutch mechanism wherein the controller compares rotational speeds of the first and second axle output shafts to each other, generates a control signal to bring the rotational speeds of the first and second axle output shafts within a common rotational speed range if rotational speeds of the first and second axle output shafts differ from each other by a predetermined amount. Further, there is no teaching in Yasuda of a transfer case that couples the front and rear axle output shafts together when transfer case rotational shaft speeds are within a predetermined speed range. Thus, Yasuda does not anticipate claim 15. For similar reasons Yasuda does not anticipate claim 26.

Yasuda also does not anticipate the dependent claims 16-23 and 25-35. For example, claim 16 requires that the controller automatically activates the clutch mechanism during a wheel slippage condition only if rotational speeds of the first and second axle output shafts are within a common rotational speed range. Yasuda makes no mention of such a feature.

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Claim 24 stands rejected to under 35 U.S.C. 103(a) as being unpatentable over Yasuda alone. For the reasons set forth above, Yasuda does not disclose, suggest, or teach the features of claim 24.

Applicant asserts that all claims are now in condition for allowance and respectfully requests an indication of such. Applicant believes that no additional fees are necessary, however, the Commissioner is authorized to charge Deposit Account No. 50-1482 in the name of Carlson, Gaskey & Olds for any additional fees or credit the account for any overpayment.

Respectfully submitted,

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Dated: February 4, 2005

## CERTIFICATE OF TRANSMISSION UNDER 37 CFR 1.8

Lours Combo